

The complaint

Mr S complains HSBC UK Bank Plc didn't do enough to help get a refund for a purchase made on his debit card.

What happened

In August 2023, Mr S paid a locksmith for services, paying on his HSBC debit card. When the locksmith carried out the work, they were missing a part and Mr S says they promised to rectify this in a further visit.

Mr S says that despite chasing the locksmith, he didn't hear back. Mr S therefore contacted HSBC for help in getting a refund in December 2023. Mr S says he heard nothing further from HSBC, so chased his dispute in July and August 2024.

HSBC responded to say it had requested further information from Mr S in January 2024 but hadn't received this. As it hadn't received the information it required, HSBC closed the dispute and said it was now out of time to consider it further.

Unhappy with HSBC's response, Mr S complained. He said he'd never received any request for further information and asked for evidence of this correspondence.

HSBC said it had requested further information and hadn't received this, so didn't agree it had made an error in how it handled Mr S' request for a refund. As a gesture of goodwill, HSBC offered Mr S £50.

Mr S then referred his concerns to our Service. I previously set out my provisional findings on Mr S complaint, which I've included below:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've given consideration to the relevant rules and regulations applicable to this complaint and while I may not comment on everything (only what I consider is key) this is not meant as a discourtesy to either party, rather reflects the informal nature of our service.

I'm looking here at the actions of HSBC and whether it acted fairly and reasonably in the way it handled Mr S's request for help in getting his money back. This will take into account the circumstances of the dispute and the card scheme rules, which HSBC must follow and its own obligations.

Mr S paid using his debit card. This meant the only realistic option available to HSBC to get his money back was to engage with a process known as chargeback.

The chargeback process provides a way for HSBC to ask for a payment its customer made to be refunded. Where applicable, it raises a dispute with the merchant (the locksmith) and effectively asks for the payment to be returned to the Mr S. There are grounds or dispute conditions set by the relevant card scheme, Visa in the circumstances of this complaint, and

if these are not met, a chargeback is unlikely to succeed. A merchant is also able to provide a defence to a chargeback, setting out why it doesn't think a refund is due.

It's not a requirement that a card issuer must raise a chargeback every time it's asked to, but where the evidence supports a dispute in line with a reason set out in the scheme rules, I'd expect the card issuer to attempt a chargeback to support its customer. The chargeback process is not a guaranteed way of getting money back.

HSBC didn't raise a chargeback on behalf of Mr S, so my decision focuses on whether it was reasonable in not doing this.

Mr S contacted HSBC to raise his dispute on 28 December 2023. I can see HSBC requested further information on 2 January 2024. It appears further information was submitted on behalf of Mr S on 8 January 2024, which included a signed dispute form and copy of the locksmith's invoice.

Having reviewed this, HSBC didn't think it had enough information to successfully raise the chargeback, so wrote to Mr S on 15 January 2024, to say it wasn't taking his dispute any further. I appreciate Mr S says he didn't receive a copy of this letter, however, in considering whether HSBC made an error here, I don't think it did.

I say this as in reviewing the information I've been provided; I'm satisfied HSBC did contact Mr S on 2 and 15 January – while I've not seen a copy of the exact email from 2 January, HSBC system notes outline this was sent, and this is supported by the fact a signed dispute form was then returned by a Mrs S on 8 January.

Having reviewed the dispute form, HSBC still didn't think it had enough to raise the dispute, so wrote to Mr S on 15 January, to say it was closing the case as it didn't have sufficient information. I think HSBC was reasonable in making this decision, as at that time it didn't have enough evidence in line with the chargeback rules to be confident that a dispute would be successful, such as whether the chargeback should be raised for the full transaction amount, or a proportion and evidence the locksmith had failed to carry out the duties they'd agreed to.

I appreciate Mr S says he didn't receive a copy of this letter, so wasn't aware HSBC wasn't taking his dispute any further at that time. While I appreciate this is frustrating, I haven't found HSBC made an error. I'm satisfied it wrote to Mr S at the correct address, and having explained it wouldn't take any further action unless it was contacted, I think it was reasonable for HSBC to close the dispute, as it received no response.

Mr S then followed up on the dispute in July and August 2024. HSBC explained it had closed the dispute in January and was now out of time to take it any further. I realise this answer will have further been frustrating to Mr S, but I find HSBC was reasonable in giving this explanation.

The scheme rules include time limits in which a chargeback must be raised, one of these is that for a dispute such as Mr S', it must be raised within 120 days of the transaction or when Mr S expected to receive the goods/services. So, I think HSBC was correct in then saying it was out of time to try and dispute the transaction as it had been more than 120 days since the transaction and when Mr S reasonably expected to have the locksmith complete the works.

In conclusion, I appreciate this answer will come as a disappointment to Mr S, but I won't be asking HSBC to do anything further in relation to this complaint. I'm satisfied that it had asked for further information and having received no response it closed Mr S' dispute. When

Mr S chased for an update on the chargeback, HSBC was then out of time to dispute the transaction, so was reasonable in declining to do so. HSBC paid Mr S £50 compensation as a gesture of goodwill which I find reasonable in the circumstances.

I didn't receive any further comment or information from HSBC following my provisional findings by the deadline set. Mr S responded and said it was frustrating to only now be learning that a response had been provided to the 2 January email. Mr S therefore questioned whether a response had been provided to HSBC following its 15 January letter. Mr S also clarified that he hadn't accepted the £50 paid by HSBC.

As the matter wasn't resolved, the complaint has been passed back to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've given consideration to Mr S' further comments, alongside the information previously provided. Having done so, I've reached the same conclusions as those set out in my provisional findings above. I appreciate this answer will come as a disappointment to Mr S however, I won't be asking HSBC to do anything further in relation to this complaint.

I've taken on board Mr S' further comments and appreciate the frustration at receiving clarification of what's likely to have happened at this stage in the process. However, in this decision, my role is to decide whether HSBC acted reasonably in the way it handled Mr S request for help in getting a refund and in the circumstances I find it did.

In reviewing the evidence available, I'm satisfied HSBC asked for further information on 2 January, and Mrs S submitted a signed dispute form and copy of the locksmith's invoice on 8 January. In reviewing this submission, HSBC didn't think it had enough information to raise a chargeback. I think HSBC was reasonable in making this decision, when considering the chargeback conditions set by the card scheme, as explained above.

HSBC consequently wrote to Mr S on 15 January to explain that it didn't have enough evidence, so would be closing the dispute. Mr S has questioned whether it's possible he submitted a response to this letter, which was overlooked, as it's only just been explained a dispute form was returned on 8 January.

In considering everything I've been provided, I haven't seen anything to suggest Mr S, or anyone on his behalf, responded to HSBC following the 15 January letter and this supports Mr S' version of events that he didn't receive this letter. However, as previously explained I'm satisfied HSBC sent this letter, so I haven't found it then made an error.

In July and August 2024, Mr S asked for an update on his dispute. As explained in my provisional findings, I think HSBC then correctly advised it was now out of time to raise a chargeback, so wasn't able to assist further in attempting to achieve a refund for Mr S. I appreciate this answer will come as a disappointment but for the reasons I've explained above, I haven't found an error in how HSBC handled his chargeback request.

HSBC has paid Mr S £50 as a gesture to recognise any inconvenience caused, I note Mr S doesn't accept this, but in the circumstances I do think this is a reasonable outcome to this complaint, so I won't be asking HSBC to do anything further.

I say this as, for the reasons explained above, I think HSBC followed the correct process in considering Mr S' request for help in getting a refund. HSBC could have given a clearer

answer when Mr S asked for clarification on what had happened when he asked for an update in late 2024, but I haven't found that would have changed the outcome as by this point it was out of time to raise a chargeback. As a result, I won't be asking HSBC to do anything further in relation to this complaint.

My final decision

For the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 3 October 2025.

Christopher Convery
Ombudsman